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11 GARY YASUDA and AMARILLO
12 COLLEGE OF HAIRDRESSING, INC.
13 d/b/a MILAN INSTITUTE OF
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11 **THE UNITED STATES DISTRICT COURT**
12 **FOR THE CENTRAL DISTRICT OF CALIFORNIA**

15 MARIA FORD, SUNDAE WORTHY,
16 PAIGE MARTIN and MEGAN
17 TALLERICO, on behalf of themselves and
18 classes of those similarly situated,

19 Plaintiffs,

20 v.

21 GARY YASUDA and AMARILLO
22 COLLEGE OF HAIRDRESSING, INC.,
23 doing business as "Milan Institute of
24 Cosmetology",

25 Defendants.

Case No. 5:13-CV-1961-PSG-DTB

**DECLARATION OF SHAHROOZ
ROOHPARVAR IN SUPPORT OF
DEFENDANTS' MOTION TO
COMPEL ARIBTRATION, STAY
ACTION PENDING
DETERMINATION OF MOTION,
DISMISS ACTION UPON
COMPELLING ARBITRATION,
AND/OR ADJUST DISCOVERY
SCHEDULE UPON RESOLUTION OF
THIS MOTION**

Hearing Date: May 4, 2015

Time: 1:30 p.m.

Courtroom: 880

1 I, Shahrooz Roohparvar, declare as follows:

2 1. I am an adult over the age of eighteen. I make the following Declaration
3 of my own knowledge. I am familiar with the facts surrounding this matter and have
4 actual knowledge of the matters testified herein, except those stated on information and
5 belief and as to those matters, I believe them to be true. If called as a witness, I could
6 and would competently testify as to the following matters set forth in detail below.
7

8 2. I am the Chief Financial Officer (CFO) of Defendant Amarillo College of
9 Hairdressing, Inc. doing business as "Milan Institute" and "Milan Institute of
10 Cosmetology". As part of my role as CFO, I am responsible for overseeing Milan
11 Institute operations, inclusive of monitoring enrollment and accreditations activities. I
12 have access to business records maintained by all Milan Institute campuses including
13 those attended by Named Plaintiffs, for purposes of determining their enrollment dates
14 and verifying they each signed Arbitration Agreements.
15

16 3. Milan Institutes are a nationally accredited private, postsecondary
17 cosmetology schools that teach students to become multi-faceted hairdressers.
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19 4. Milan Institutes are regulated by the federal Department of Education
20 under Title IV of the U. S. Higher Education Act, 20 U.S.C. § 1071, *et seq.* ("HEA"). It
21 regularly receives funds in the form of student loans that are regulated by the
22 Department of Education.
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1 5. Milan Institute maintains campuses across multiple states. In California
2 alone, Milan Institute maintains nine campuses including campuses in Clovis, Fairfield,
3 and two campuses in Bakersfield.
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5 6. On or about May 18, 2011, Plaintiff Sundae Worthy enrolled in Milan
6 Institute's Cosmetology program at its campus in Bakersfield, California.
7

8 7. On or about June 29, 2011, Plaintiff Paige Martin enrolled in Milan
9 Institute's Cosmetology program at its campus in Bakersfield, California.
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11 8. On or about June 29, 2011, Plaintiff Megan Tallerico enrolled in Milan
12 Institute's Cosmetology program at its campus in Fairfield, California.
13

14 9. On or about April 4, 2012, Plaintiff Maria Ford enrolled in Milan
15 Institute's Cosmetology program at its campus in Clovis, California.
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17 10. As part of Plaintiffs' enrollment at Milan Institute, Plaintiffs each signed
18 an Enrollment Agreement that contained a valid and binding arbitration provision ("the
19 Arbitration Agreement"). (True and correct copies of Named Plaintiffs' Enrollment
20 Agreement are attached hereto, collectively, as Exhibits A [Ms. Worthy], B [Ms.
21 Martin], C [Ms. Tallerico], and D [Ms. Ford].)
22

23 11. The Arbitration Agreement provides, in relevant part:

24 [A]ny dispute arising from my enrollment at Milan Institute, no matter
25 how described, pleaded or styled, shall be resolved by binding
26 arbitration, under the substantive and procedural requirements of the
27 Federal Arbitration Act, by a single arbitrator, conducted by the
28 American Arbitration Association (AAA) at Milan Institute,...under its
Commercial Rules. All determinations as to the scope, enforceability and
effect of this arbitration agreement shall be decided by the arbitrator, and

1 not by a court. The award rendered by the arbitrator may be entered in
2 any court having jurisdiction.

3 12. The Enrollment Agreements signed by Plaintiffs are contracts for
4 education. The school's operations are extensively regulated by the United States
5 Department of Education pursuant to the HEA, 20 U.S.C. §§ 1071 *et seq.* Milan
6 Institute is a participant in the United States Department of Education's Student
7 Financial Aid Program, administered under Title IV of the U.S. Code and the REA.
8 This requires the School to be accredited by an accrediting commission recognized by
9 the United States Department of Education, and to comply with a vast array of federal
10 statutes and regulations governing participation Title IV programs. Many of these
11 statutes and regulations govern the process of admissions including, but by no means
12 limited to, the provision of financial aid. Moreover, at the time Plaintiffs enrolled at
13 Milan Institute, Milan Institutes' Clovis and Bakersfield campuses were accredited by
14 the Council on Occupation Education ("COE") and Milan Institutes' Fairfield campus
15 was accredited by the National Accrediting Commission of Career Arts & Sciences
16 ("NACCAS"). COE and NACCAS are recognized national accrediting agencies
17 according to the United States Department of Education.
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23 13. Milan Institute is approved to operate in California by the Bureau for
24 Private Postsecondary Education ("BPPE") and the California Board of Barbering and
25 Cosmetology ("the Board").
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1 14. Most of the tuition for Milan Institute students are paid by way of a mix
2 of federal student loans and grants, all administered under the Title IV student financial
3 aid statutes and regulations previously mentioned. The financial aid award decisions are
4 based on a federal form called a Free Application for Federal Student Aid (F AFSA),
5 which are electronically transmitted to the United States Department of Education as
6 part of the approval and funding process, and funds are in fact electronically transmitted
7 by modalities of interstate commerce including wire, internet, and U.S. mail. Plaintiffs
8 completed a FAFSA and obtained federal financial aid as part of their enrollment in the
9 School.
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13 15. I declare under penalty of perjury under the laws of the State of
14 California, and the United State of America, that the foregoing is true and correct, and
15 that this declaration was executed this 18th day of March 2015 in Los Angeles,
16 California.
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Shahrooz Roohparvar

EXHIBIT A

Agreement to Binding Arbitration and Waiver of Jury Trial

I, Sundae Worthy agree that any dispute arising from my enrollment at Milan Institute, no matter how described, pleaded or styled, shall be resolved by binding arbitration, under the substantive and procedural requirements of the *Federal Arbitration Act*, by a single arbitrator, conducted by the American Arbitration Association (AAA) at *Milan Institute, 2822 F. Street Bakersfield, CA 93301*, under its Commercial Rules. All determinations as to the scope, enforceability and effect of this arbitration agreement shall be decided by the arbitrator, and not by a court. The award rendered by the arbitrator may be entered in any court having jurisdiction.

I. Terms of Arbitration

1. Both Student and the College irrevocably agree that any dispute between them shall be submitted to Arbitration.
2. Neither the Student nor the College shall file or maintain any lawsuit in any court against the other, and agree that any suit filed in violation of this Agreement shall be dismissed by the court in favor of an arbitration conducted pursuant to this Agreement.
3. The costs of the arbitration filing fee, arbitrator's compensation and facilities fees will be by the School.
4. The arbitrator's decision shall be set forth in writing and shall set forth the essential findings and conclusions upon which the decision is based.
5. Any remedy available from a court under the law shall be available in the arbitration.

II. Acknowledgement of Waiver of Jury Trial

By my signature below, I acknowledge that I understand that both the College and I are irrevocably waiving rights to a trial by jury, and are selecting instead to submit any and all claims to the decision of an arbitrator instead of a court. I understand that the award of the arbitrator will be binding, and not merely advisory.

Signature of Student

Print Student Name

Sundae Worthy
Sundae Worthy

Date

4 28 11

Signature of School Official

Print School Official

Megan Grace
Megan Grace

Date

4 28 11

EXHIBIT B

Agreement to Binding Arbitration and Waiver of Jury Trial

I, PAIGE MARTIN agree that any dispute arising from my enrollment at Milan Institute, no matter how described, pleaded or styled, shall be resolved by binding arbitration, under the substantive and procedural requirements of the *Federal Arbitration Act*, by a single arbitrator, conducted by the American Arbitration Association (AAA) at *Milan Institute, 2822 F. Street Bakersfield, CA 93301*, under its Commercial Rules. All determinations as to the scope, enforceability and effect of this arbitration agreement shall be decided by the arbitrator, and not by a court. The award rendered by the arbitrator may be entered in any court having jurisdiction.

I. Terms of Arbitration

1. Both Student and the College irrevocably agree that any dispute between them shall be submitted to Arbitration.
2. Neither the Student nor the College shall file or maintain any lawsuit in any court against the other, and agree that any suit filed in violation of this Agreement shall be dismissed by the court in favor of an arbitration conducted pursuant to this Agreement.
3. The costs of the arbitration filing fee, arbitrator's compensation and facilities fees will be by the School.
4. The arbitrator's decision shall be set forth in writing and shall set forth the essential findings and conclusions upon which the decision is based.
5. Any remedy available from a court under the law shall be available in the arbitration.

II. Acknowledgement of Waiver of Jury Trial

By my signature below, I acknowledge that I understand that both the College and I are irrevocably waiving rights to a trial by jury, and are selecting instead to submit any and all claims to the decision of an arbitrator instead of a court. I understand that the award of the arbitrator will be binding, and not merely advisory.

Signature of Student

Paige Martin

Date

10-27-11

Print Student Name

Paige Martin

Signature of School Official

Margaret Dale

Date

10-27-11

Print School Official

Margaret Dale

EXHIBIT C

Agreement to Binding Arbitration and Waiver of Jury Trial

I, Megan Tallerico agree that any dispute arising from my enrollment at Milan Institute, no matter how described, pleaded or styled, shall be resolved by binding arbitration, under the substantive and procedural requirements of the *Federal Arbitration Act*, by a single arbitrator, conducted by the American Arbitration Association (AAA) at *Milan Institute of Cosmetology, 934 Missouri Street, Fairfield, CA 94533*, under its Commercial Rules. All determinations as to the scope, enforceability and effect of this arbitration agreement shall be decided by the arbitrator, and not by a court. The award rendered by the arbitrator may be entered in any court having jurisdiction.

I. Terms of Arbitration

1. Both Student and the College irrevocably agree that any dispute between them shall be submitted to Arbitration.
2. Neither the Student nor the College shall file or maintain any lawsuit in any court against the other, and agree that any suit filed in violation of this Agreement shall be dismissed by the court in favor of an arbitration conducted pursuant to this Agreement.
3. The costs of the arbitration filing fee, arbitrator's compensation and facilities fees will be by the School.
4. The arbitrator's decision shall be set forth in writing and shall set forth the essential findings and conclusions upon which the decision is based.
5. Any remedy available from a court under the law shall be available in the arbitration.

II. Acknowledgement of Waiver of Jury Trial

By my signature below, I acknowledge that I understand that both the College and I are irrevocably waiving rights to a trial by jury, and are selecting instead to submit any and all claims to the decision of an arbitrator instead of a court. I understand that the award of the arbitrator will be binding, and not merely advisory.

Signature of Student Megan Tallerico Date 6-2-11
Print Student Name Megan Tallerico

Signature of School Official Shirley Hewitt Date 6/2/11
Print School Official Shirley Hewitt

EXHIBIT D

Agreement to Binding Arbitration and Waiver of Jury Trial

I, Maria Ford agree that any dispute arising from my enrollment at Milan Institute, no matter how described, pleaded or styled, shall be resolved by binding arbitration, under the substantive and procedural requirements of the *Federal Arbitration Act*, by a single arbitrator, conducted by the American Arbitration Association (AAA) at Milan Institute, 731 W. Shaw Ave, Clovis, Ca 93612, under its Commercial Rules. All determinations as to the scope, enforceability and effect of this arbitration agreement shall be decided by the arbitrator, and not by a court. The award rendered by the arbitrator may be entered in any court having jurisdiction.

I. Terms of Arbitration

1. Both Student and the College irrevocably agree that any dispute between them shall be submitted to Arbitration.
2. Neither the Student nor the College shall file or maintain any lawsuit in any court against the other, and agree that any suit filed in violation of this Agreement shall be dismissed by the court in favor of an arbitration conducted pursuant to this Agreement.
3. The costs of the arbitration filing fee, arbitrator's compensation and facilities fees will be by the School.
4. The arbitrator's decision shall be set forth in writing and shall set forth the essential findings and conclusions upon which the decision is based.
5. Any remedy available from a court under the law shall be available in the arbitration.

II. Acknowledgement of Waiver of Jury Trial

By my signature below, I acknowledge that I understand that both the College and I are irrevocably waiving rights to a trial by jury, and are selecting instead to submit any and all claims to the decision of an arbitrator instead of a court. I understand that the award of the arbitrator will be binding, and not merely advisory.

Signature of Student Maria Ford Date 4.3.12
Print Student Name Maria Ford

Signature of School Official Crystal Sutton Date 4/3/12
Print School Official Crystal Sutton